Contracts II – IT and Pooling

Training Module

This is a guide to create and view Interruptible and Pooling contracts, view and create amendments to a contract and approve a routing on the Transco 1Line System.

Table of Contents

Important Information – Please Read 3
Introduction 4
Note: To perform an action you can use the Right Click Menu or Action Menu in the upper right corner. . 4
Create an IT Contract 4
- Service Requestor (Prop): (will default to the entity your id is tied to) 5
- Rate Schedule Type: TFO 5
- Rate Schedule/Service: IT 5
- Regulatory Authority: 284g-Other 5

Create an Amendment on IT Contract 9
IT Contract Routing Slips 10
Create a Pooling Contract 12
- Service Requestor (Prop): (will default to the entity your id is tied to) 13
- Rate Schedule Type: POOL 13
- Rate Schedule/Service: ITPOOL or FTPOOL 13
- Regulatory Authority: None Selected 13

Pooling Contract Routing Slips 16
Viewing Contracts/Amendments 17
Filter data as needed> Retrieve>Select. 17
Additional Contract Information 21
PPA Included Contract Indicator 22

Important Information – Please Read

The information provided herein is for informational purposes only and does not modify any provision in Transco's FERC Gas Tariff. If a conflict exists between this information and Transco's FERC Gas Tariff, the provisions in Transco's FERC Gas Tariff apply. Transco makes no representation or warranty as to the completeness or accuracy of this information. Transco shall not be liable for any informational errors, incompleteness or delays, or for any actions taken in reliance on this information.

To review the tariff language specific to any topic, go to Transco's Informational Postings page, and select **Tariff** from the left hand navigation menu.

Introduction

Contracts are needed to transport gas on Williams Gas Pipeline-Transco. This material will show you how to create and view **Interruptible Transportation (IT),** and **Pooling** contracts; how to create an amendment to a contract and approve a routing stop.

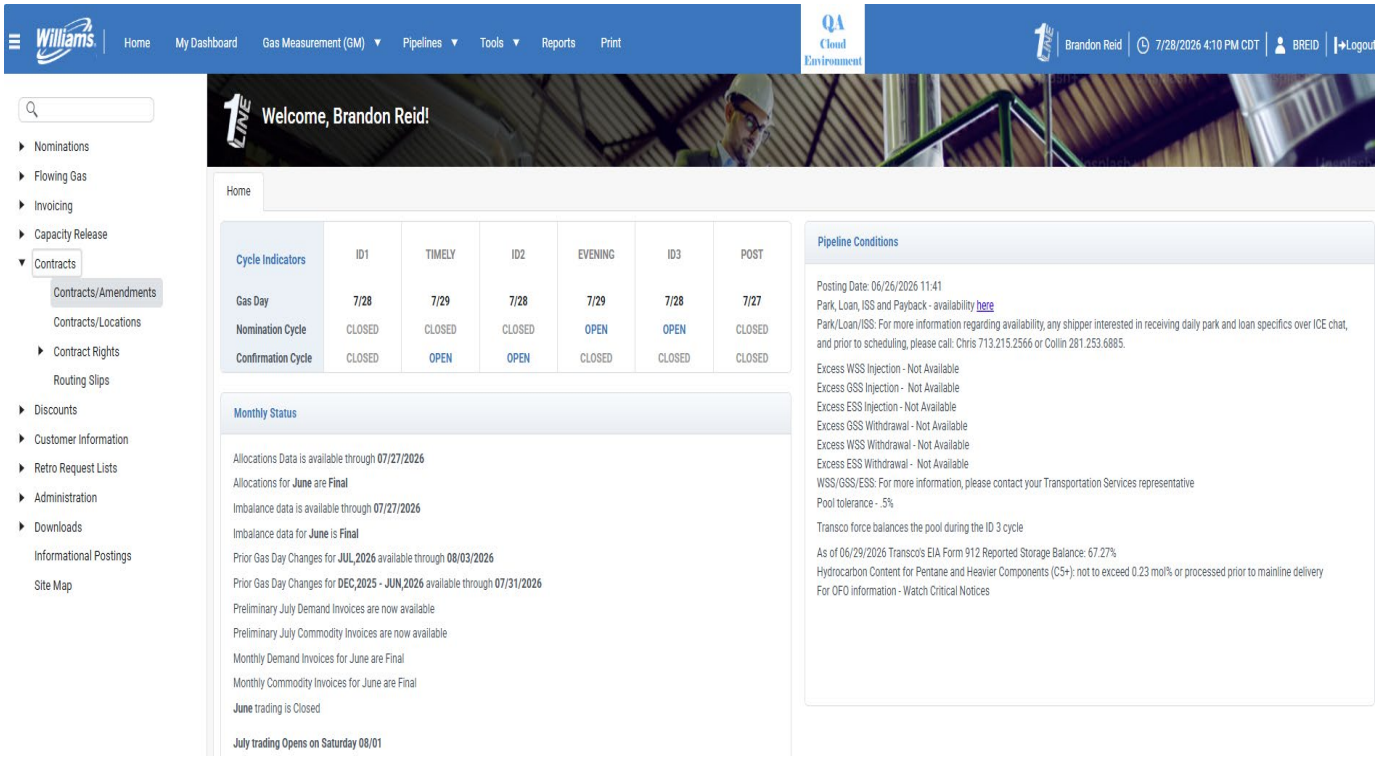
It is important to establish Credit prior to creating agreement.

Note: To perform an action you can use the Right Click Menu or Action Menu in the upper right corner.

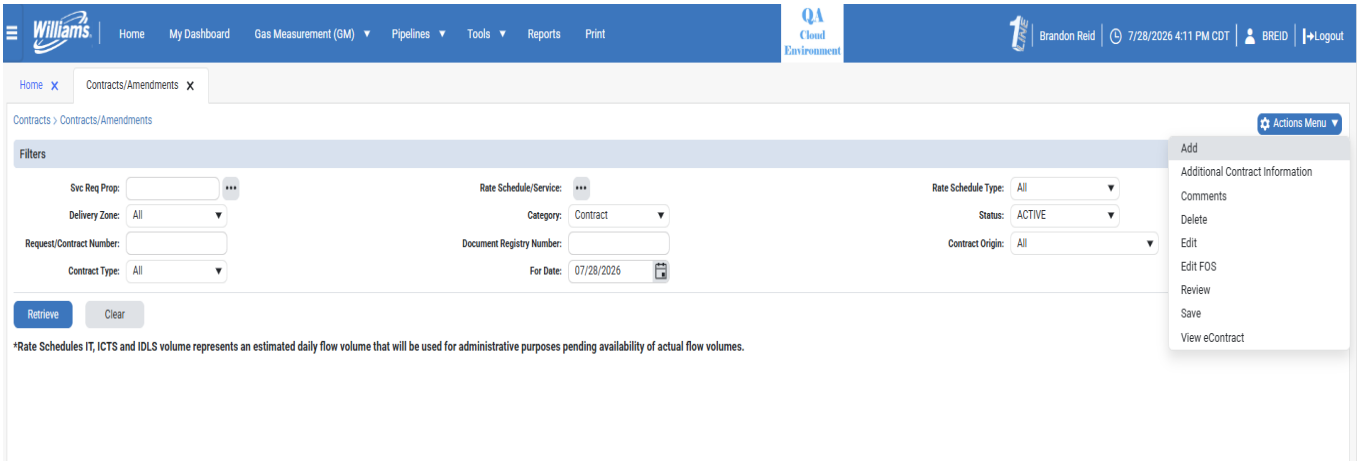
Create an IT Contract

To create an IT contract, login to 1Line and follow these steps:

1. Select: Contracts > Contracts/Amendments

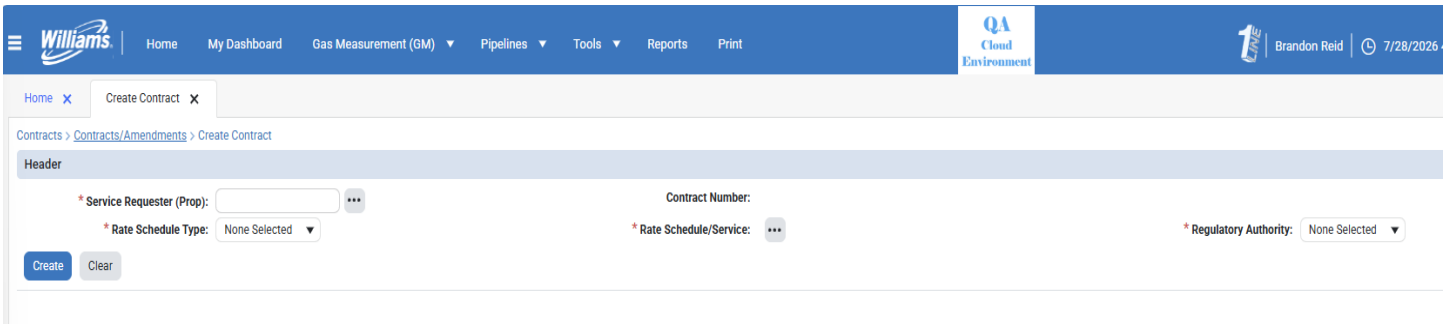


2. The Contract/Amendments page loads.



3. Select: Actions > Add.

   - This will take you to the **Create Contract** page, as shown below.

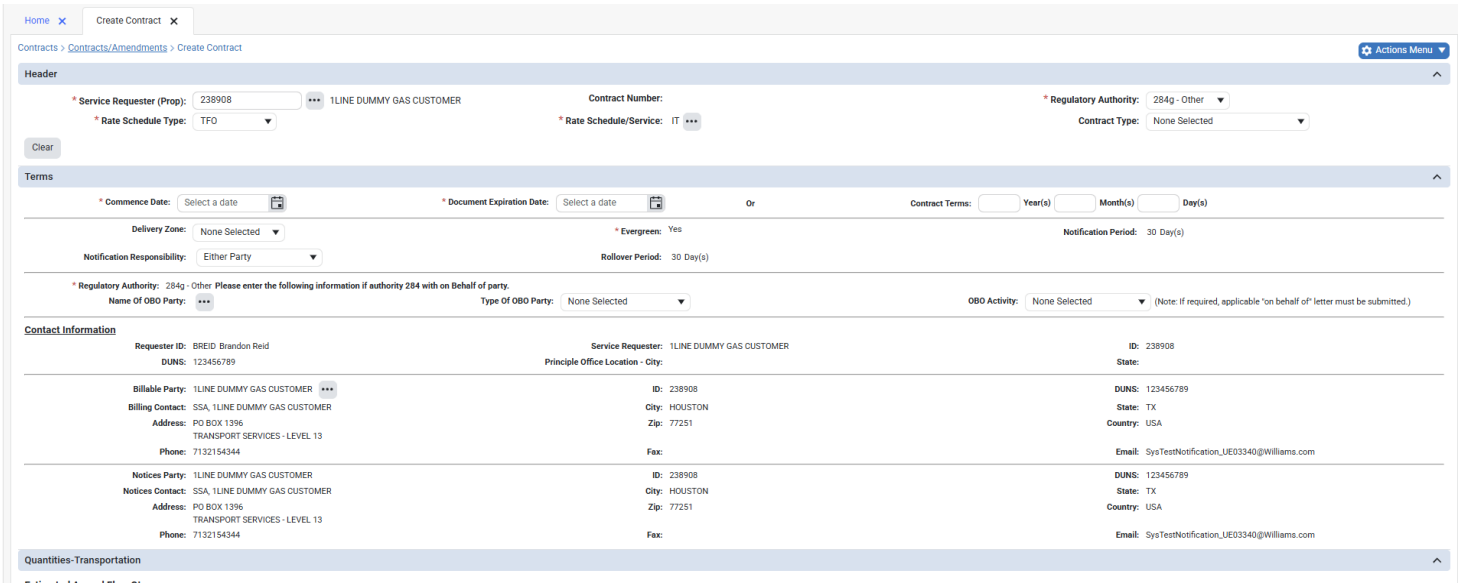


1. On the **Header panel,** use the look up feature to retrieve the following required information:

   - ***Service Requestor (Prop): (will default to the entity your id is tied to)***
   - ***Rate Schedule Type: TFO***
   - ***Rate Schedule/Service: IT***
   - ***Regulatory Authority: 284g-Other***

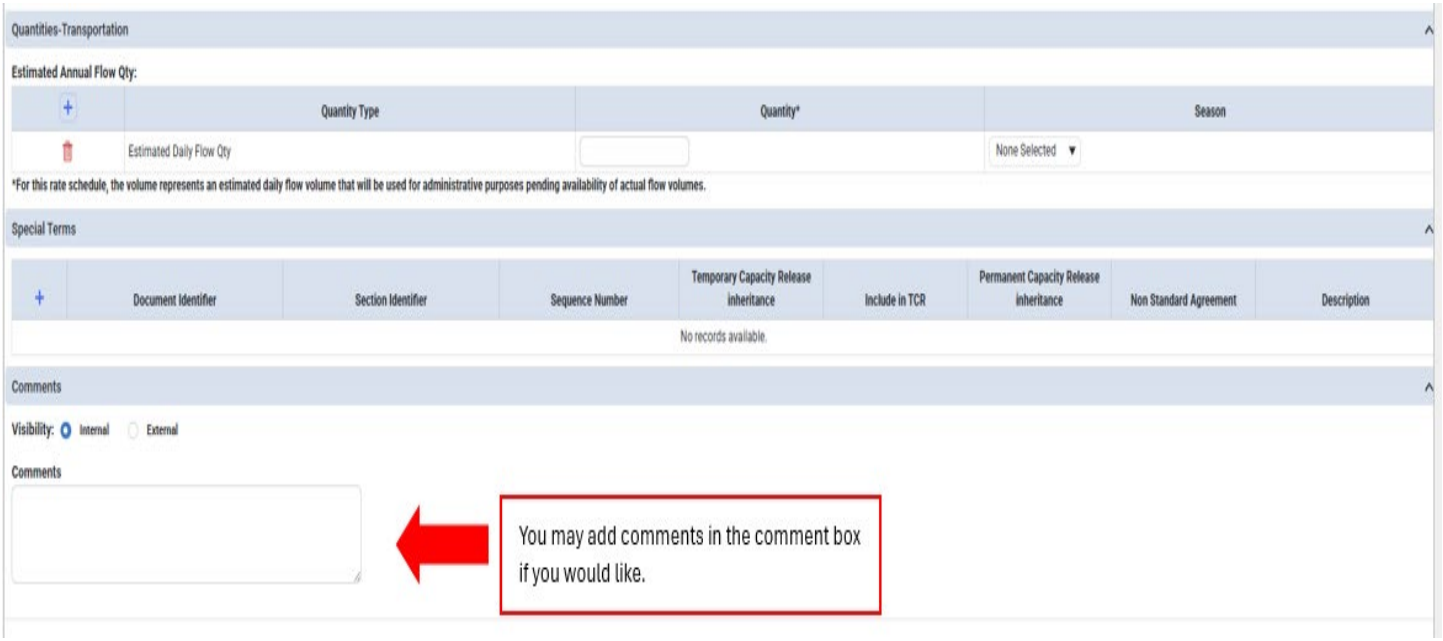
2. After the above data is filled-in, return to the create contract page>**Select the Create Button.**

- This will take you to the Terms panel as shown below.

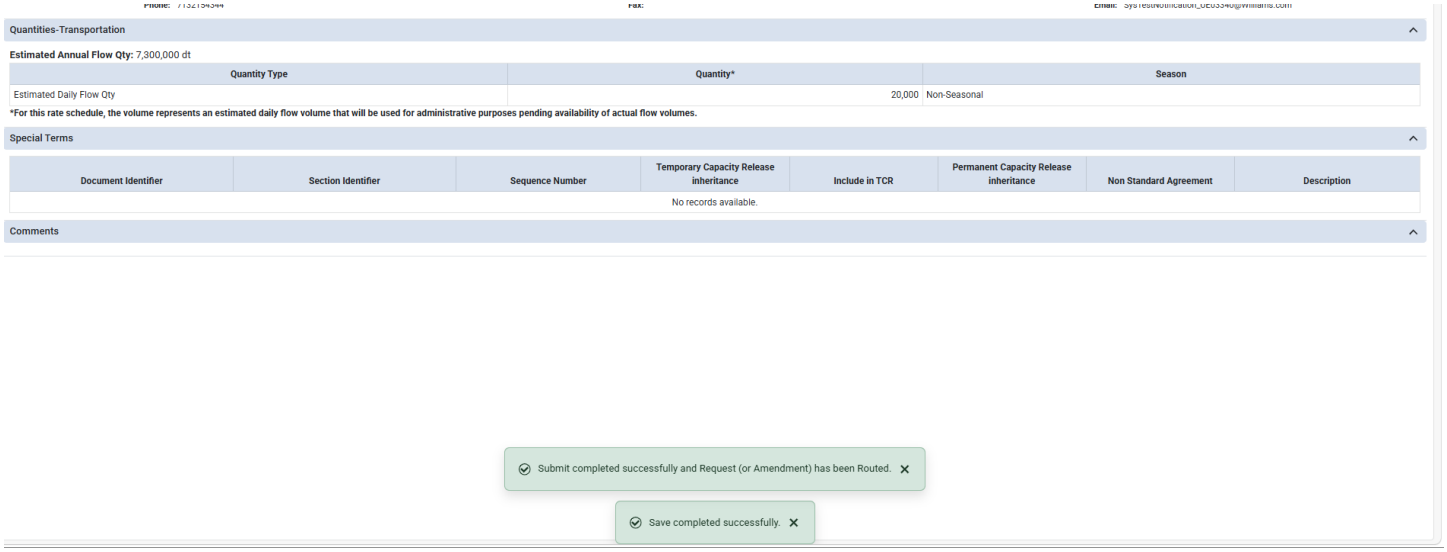


3. On the Terms panel enter in the details of the contract. The following fields will be displayed:
   - ***Commencement Date:*** the first anticipated day of flow; it should not be a day in the past
   - ***Document Expiration Date:*** should be one month from the Commencement Date, or
   - ***Contract terms:*** *system calculated*
     - ***Note:*** *Fill in Document Expiration Date or Contract terms and the system will calculate the other.*
   - ***Delivery Zone:*** *leave this field blank*
   - ***Evergreen:*** defaults to **Yes.** This means the contract will continue until the shipper or pipeline terminates it in writing.
   - ***Notification Period:*** defaults to 30 Days
   - ***Notification Responsibility:*** *select* **Either Party**.
   - ***Rollover Period:*** same as Notification Period.
   - ***Regulatory Authority:*** defaults to **284g - Other**.
4. Select **Save.**
   - The **Save Action** will validate contract data.
   - A contract number will be generated, a message will appear at the bottom of the screen on the left: “Save completed successfully”
   - Your contract will be saved in “Draft’ status and can be modified.

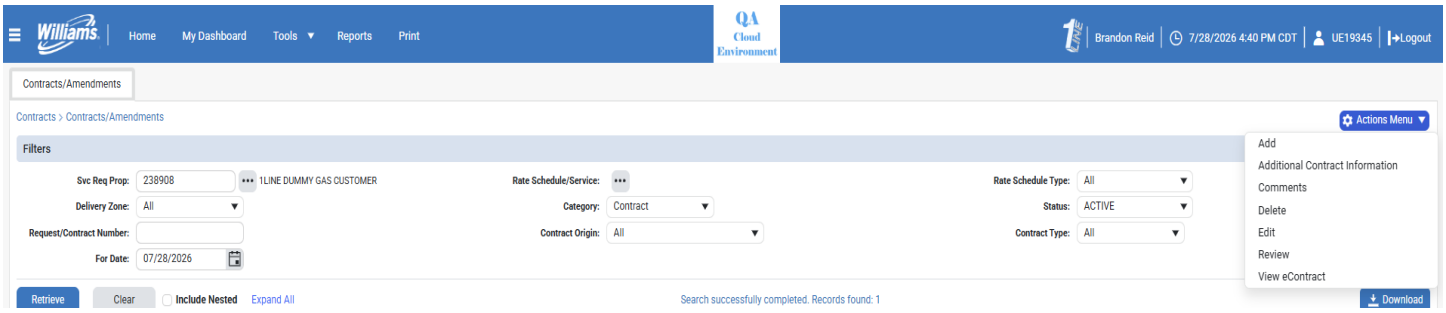
5. After the above data is saved, you can continue creating your contract. Continue on to the Quantities-Transportation panel. Select the **'Add a Row'** icon as shown in screen below**.** A row appears and you will key in the following fields will be displayed:
    - ***Estimated Annual flow Quantity:*** this will be automatically calculated by 1Line.
    - ***Quantity Type:*** *estimated Daily Flow Quantity.*
    - ***Quantity:*** *enter the volume that you anticipate flowing on a daily basis.*
    - ***Season:*** Select Non-Seasonal.



6. Review the contract and if everything is satisfactory, Select **Actions** > **Submit**.
    - The contract will be in **Pending** status and will be processed for routing approvals.
    - You will then see this message at the bottom of the screen to the left: *Save completed successfully, and Submit completed successfully and Request (or Amendment) has been Routed.*



Note: A routing slip is created when the contract is submitted. The person(s) with the **Contracts Execute** role will receive an email from 1Line informing them that there is a contract awaiting their approval. The shipper will only see the 'Shipper Execute Stop'.

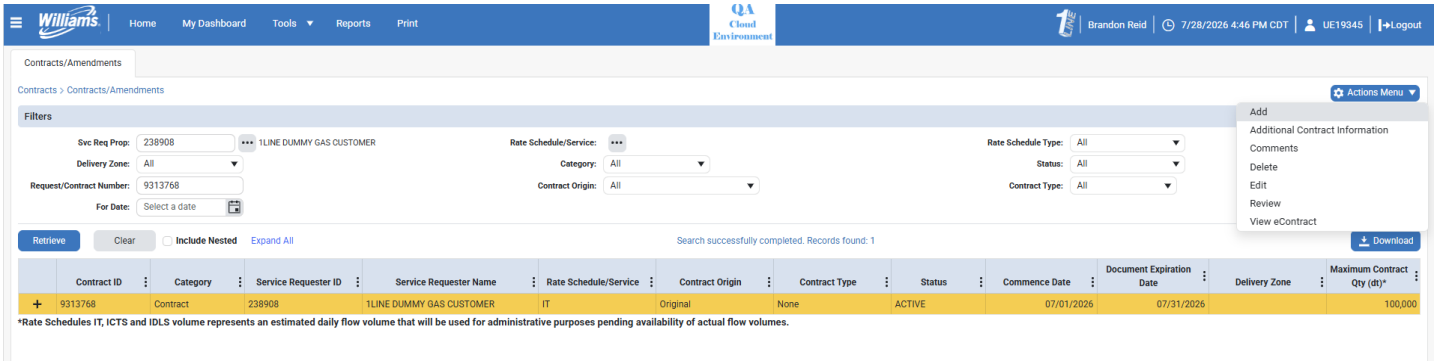


Action Menu Functionality

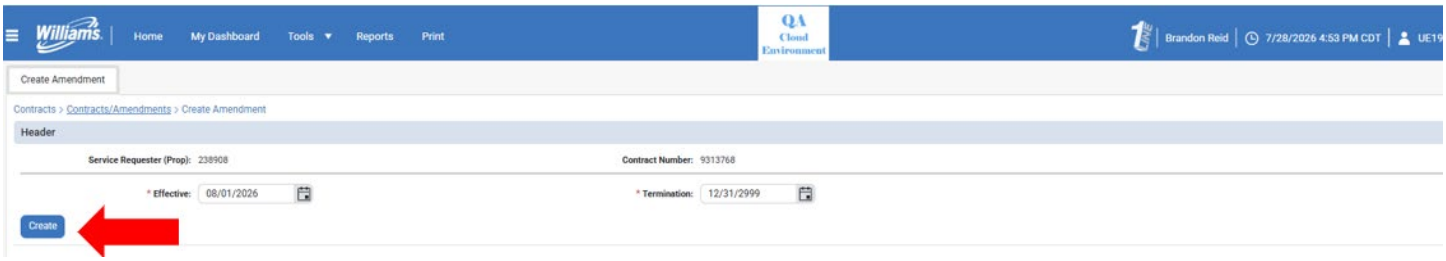
- **Add** – The user can add a new contract or a new amendment for a contract.
- **Additional Contract Information** – the page will display additional contract information page.
- **Comments** – a modal page popup and displays all the existing comments of a contract and user can add a new comment.
- **Delete** – only draft contract or draft amendment can be deleted.
- **Edit** – The user can select a contract or amendment record to edit the contract or the amendment.
- **Review** – The user can select a contract or amendment record for review.

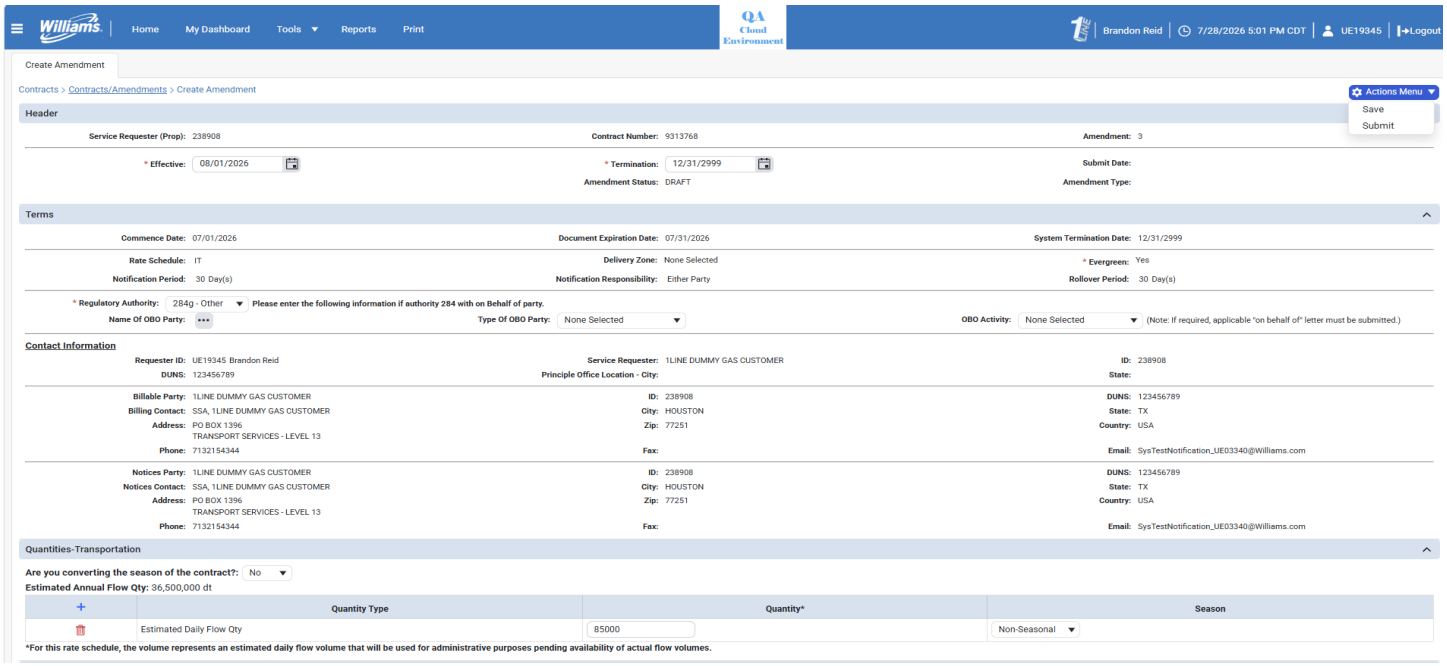
Create an Amendment on IT Contract

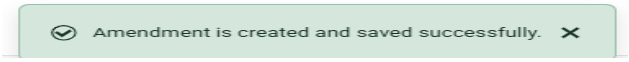
1. To amend a contract, **Selec**t the contract from the **Contracts/Amendments page** and select **Add** from the Action Menu.



2. Enter the necessary information in Create Amendment header panel, Select the Create Button. The effective and termination date on the header is the term of the amendment not the contract.







3. Enter your changes to the contract and select **Submit** from the action menu.

A routing approvals slip is created the moment the contract is amended. The person(s) with the **Contracts Execute** role will receive an email from 1Line informing them that there is an amendment awaiting their approval. The shipper will only see the 'Shipper Execute Stop'.

IT Contract Routing Slips

The following **Routing Slips** must be approved by the relevant parties before the contract can be used.

- **Review**: Commercial Services Rep assigned to BA conducts initial review of contract.
- **Treasury:** Checks for credit worthiness.
- **Shipper Execute**: Contract is routed to the customer for review and approval.
- **Pipeline Execute:** Commercial Services Rep checks contract once more.
- **Activate:** 1Line processes the contract into Active status.

When notified that the contract is ready to execute, login to 1Line, and follow these steps:

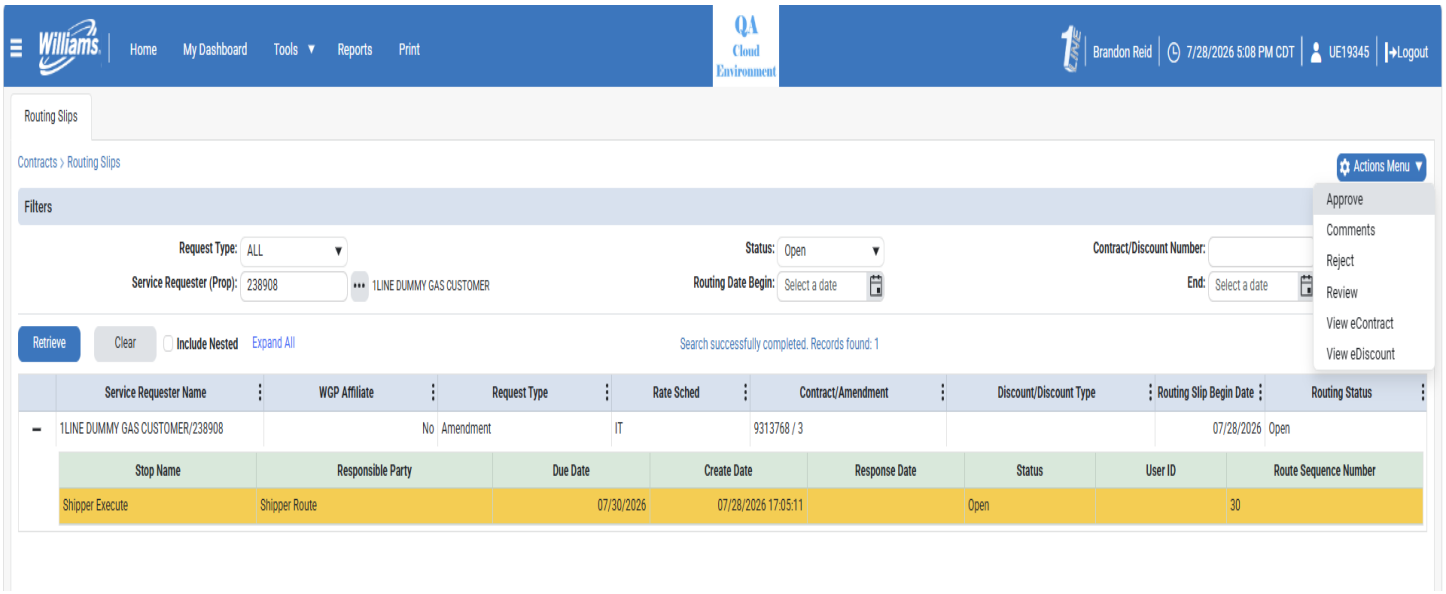
1. Select: **Contracts** > **Routing Slips**.

2. Once the **Routing Slips** page displays, filter as needed and **Select Retrieve** to display any contract or amendment pending your approval.

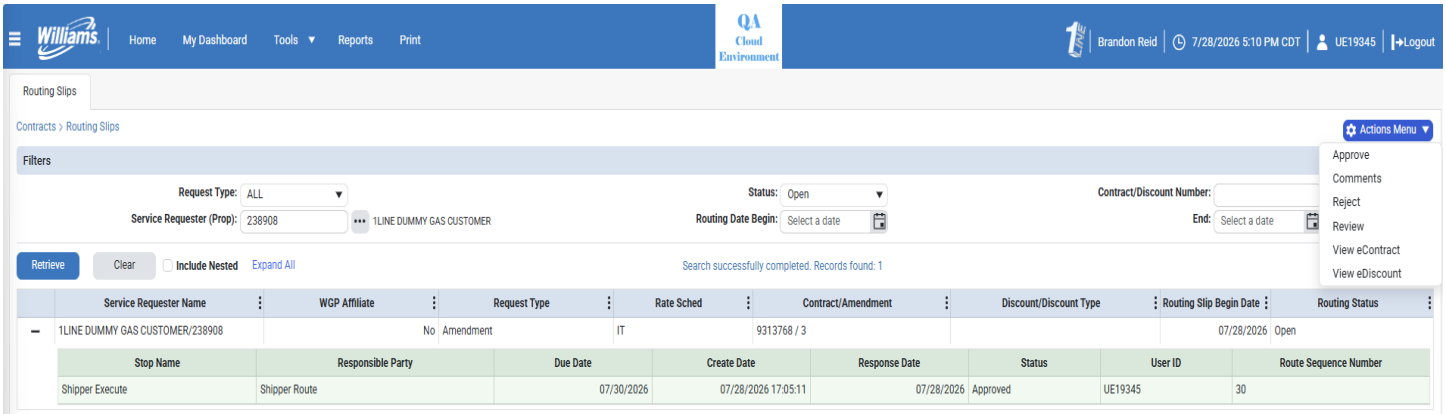
3. Select Service Request or Amendment>Action>Review to review the details of the selected contract or amendment before approval. At this point you can check the details of the contract or amendment to confirm data before you approve the stop. Click on the Routing Slips breadcrumb to return to Routing Slips.

4. Expand the open routing slip associated with the Service Request or Amendment selected by using the + sign to see the routing slip information.

5. To approve, **Select the Stop** and **Select Actions> Approve** from the Right Click or Action Menu.



6. The routing stop now displays Approved Status. The next Transco Responsible Party will be notified.



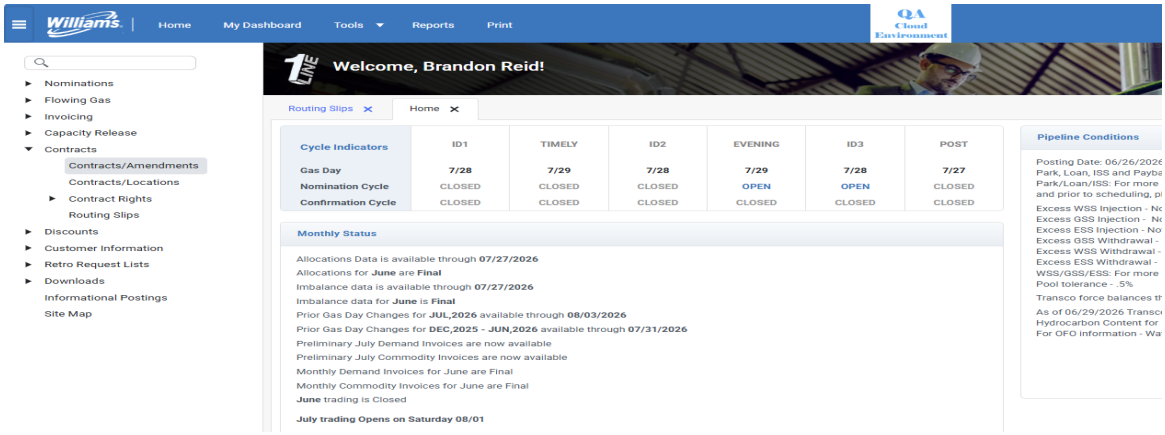
Action Menu Functionality

- **Approve** – The user can add a new contract or a new amendment for a contract.
- **Comments** – a modal window will popup and displays all the existing comments, and user can add a new comment.
- **Reject** – a page will pop up with two options; reject slip and revised pending contract or reject slip and reject pending contract.
- **Review** – The user can select a slip record for review.

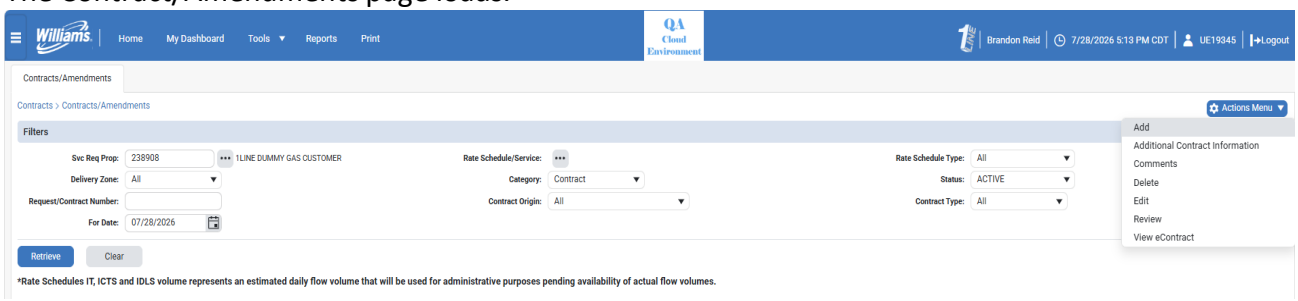
Create a Pooling Contract

To **create a POOLING** contract, login to 1Line and follow these steps:

1. Select: Contracts > Contracts/Amendments

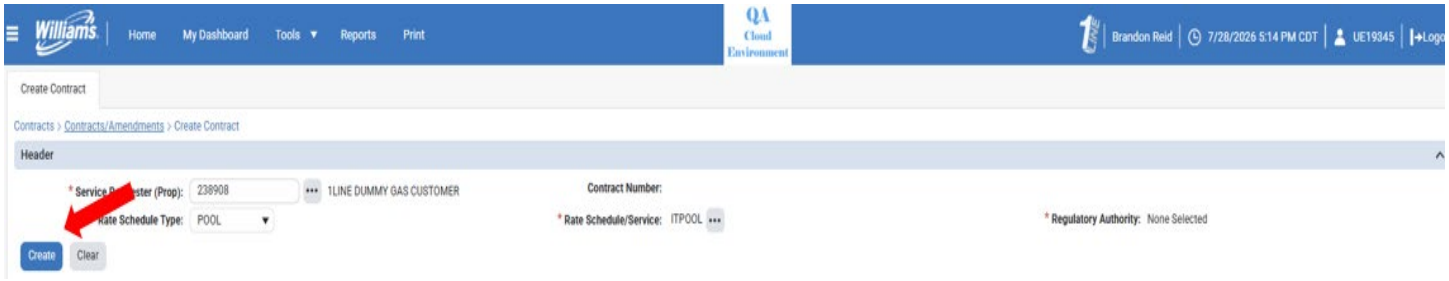


2. The Contract/Amendments page loads.



3. Select: **Actions > Add**.

   - This will take you to the **Create Contract** page, as shown below.

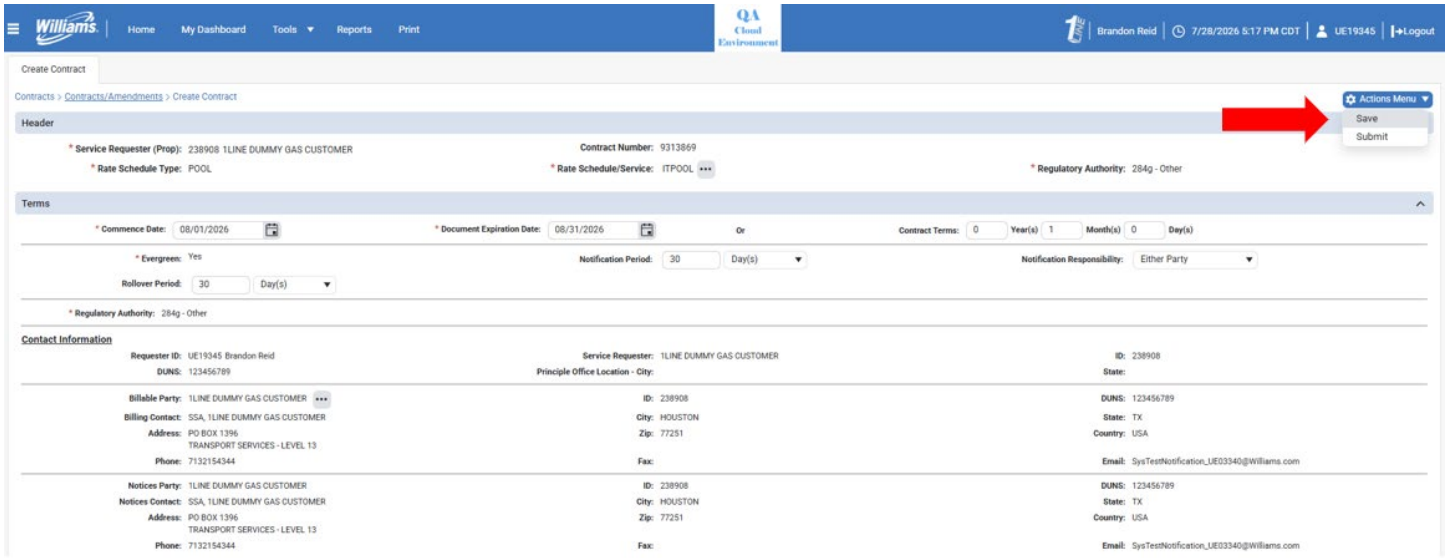


4. On the **Header panel,** use the look up feature … to retrieve the following required information:

   - ***Service Requestor (Prop): (will default to the entity your id is tied to)***
   - ***Rate Schedule Type: POOL***
   - ***Rate Schedule/Service: ITPOOL or FTPOOL***
   - ***Regulatory Authority: None Selected***

5. After the above data is filled-in, select the **Create Button.**

   This will take you to the Terms panel as shown below.



6. On the Terms panel enter in the details of the contract. The following fields will be displayed:

   - ***Commencement Date:*** the first anticipated day of flow; it should not be a day in the past.
   - ***Document Expiration Date:*** should be one month from the Commencement Date, or

- ***Contract terms:*** *system calculated, Fill in Document Expiration Date or Contract terms and the system will calculate the other.*
- ***Evergreen:*** *d*efaults to **Yes.** This means the contract will continue until the shipper or pipeline terminates it in writing.
- ***Notification Period:*** **30 Days – (Recommended)** Type 30 in the first blank text box, and then select Days from the dropdown.
- ***Notification Responsibility:*** *select* **Either Party**.
- ***Rollover Period:*** *s*ame as Notification Period.
- ***Regulatory Authority:*** defaults to **284g - Other**.
-

7. Select **Save.**

   - The **Save Action** will validate contract data.

     a. A contract number will be generated, then you will see this message at the bottom of the screen on the left: "Save completed successfully"

     b. Your contract will be saved in "Draft' status and can be modified.

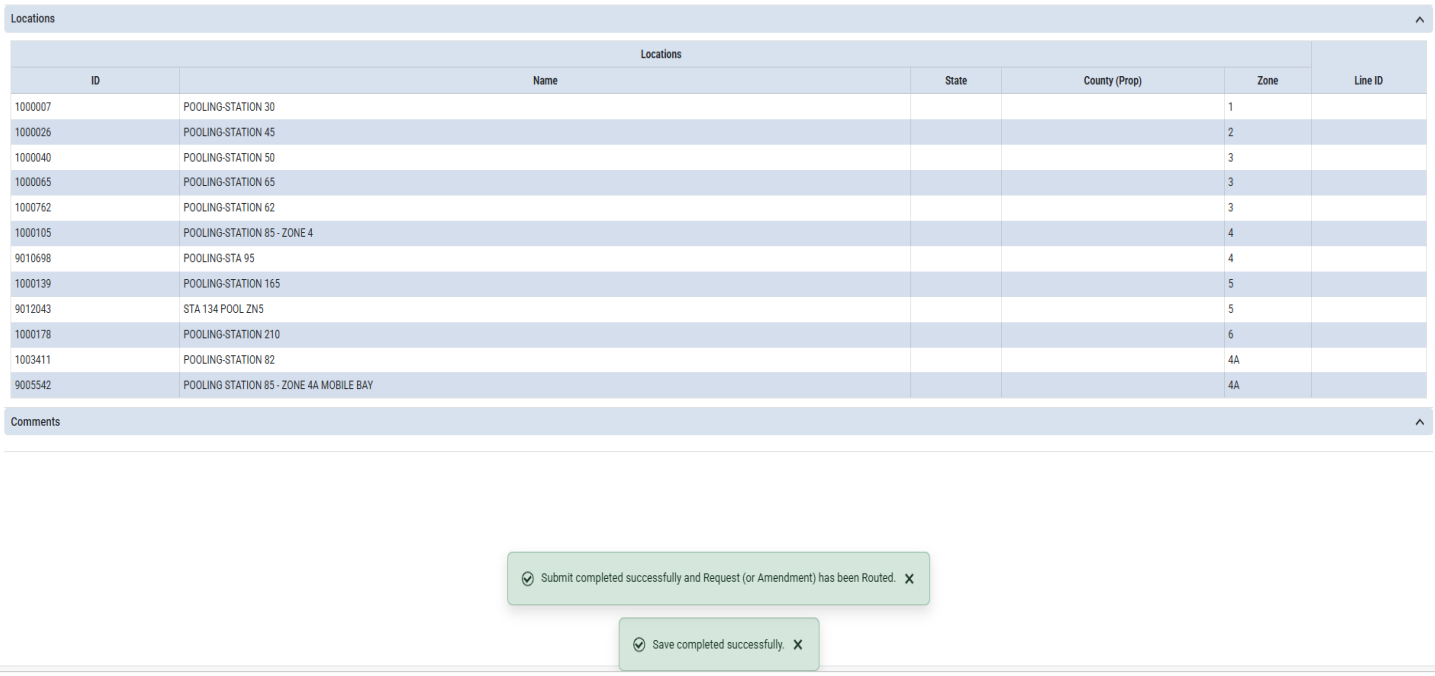
8. If you would like to add comments, you may add Comments in the comments panel.

9. Review the contract and if everything is satisfactory, select **Actions** > **Submit**.

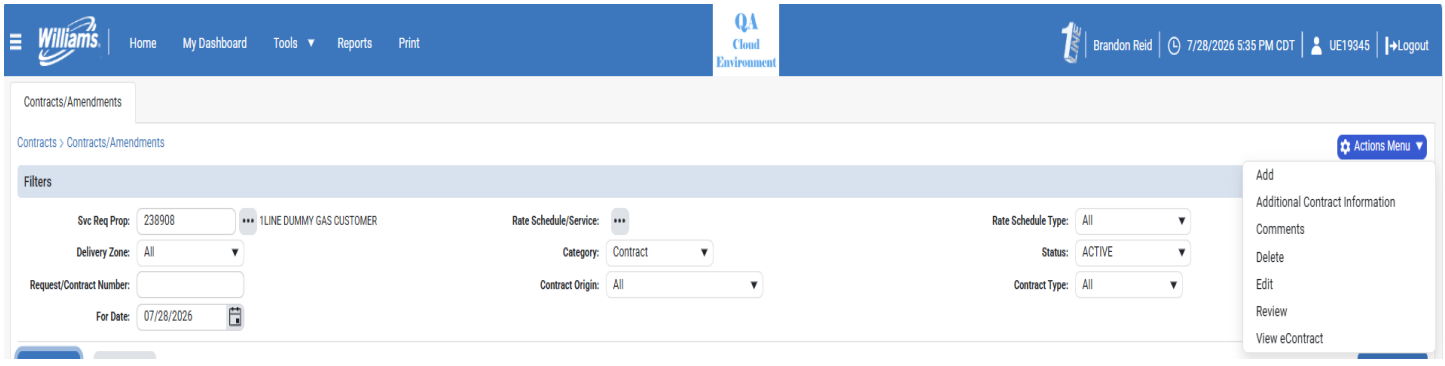
a. The contract will be in **Pending** status and will be processed for routing approvals.

b. A message will appear at the bottom of the screen to the left: *Save completed successfully, and Submit completed successfully and Request (or Amendment) has been Routed.*

c.



Note: A routing approvals slip is created the moment the contract is submitted. The person(s) with the **Contracts Execute** role will receive an email from 1Line informing them that there is a contract awaiting their approval. The shipper will only see the 'Shipper Execute Stop'.



Action Menu Functionality:

- **Add** – The user can add a new contract or a new amendment for a contract.
- **Additional Contract Information** – the page will display additional contract information page.
- **Comments** – a popup box will display all the existing comments of a contract and user can add a new comment.

- **Delete** – only draft contract or draft amendment can be deleted.
- **Edit** – The user can select a contract or amendment record to edit the contract or the amendment.
- **Review** – The user can select a contract or amendment record for review.

Pooling Contract Routing Slips

The following **Routing Stops** must be approved by the relevant parties before the contract can be used:

- **Review**: TS Rep assigned to BA conducts initial review of contract.
- **Shipper Execute**: Contract is routed to the customer for review and approval.
- **Pipeline Execute**: TS Rep checks contract once more.
- **Activate**: 1Line processes the contract into Active status.

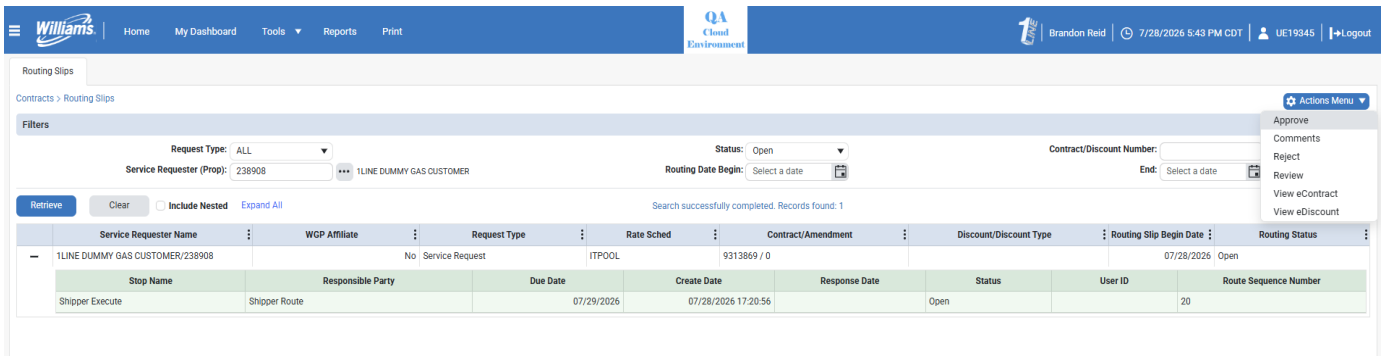
When notified that the contract is ready to execute, login to 1Line, and follow these steps:

1. Select: **Contracts** > **Routing Slips**.

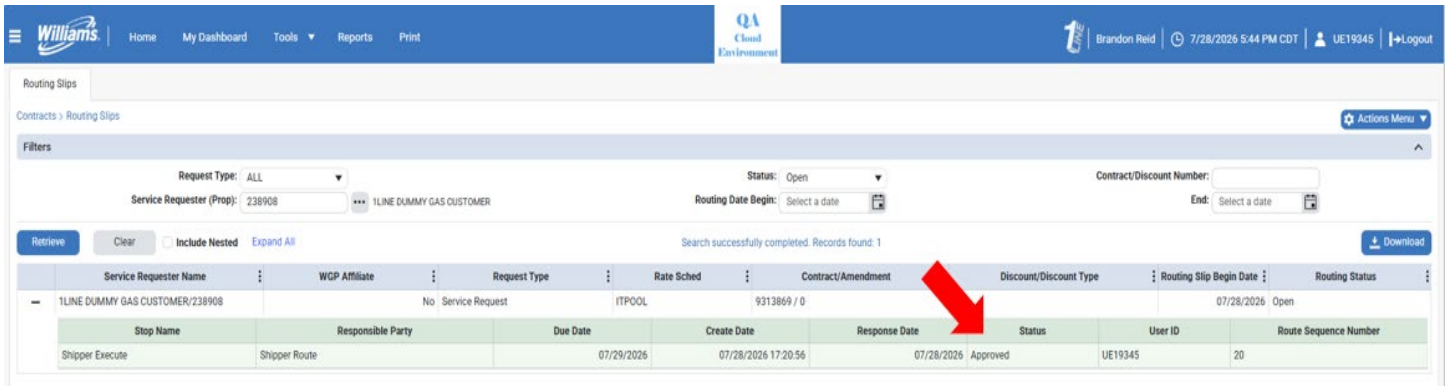
2. Once the **Routing Slips** page displays, filter as needed and **Select Retrieve** to display any contract or amendment pending your approval.
3. Select **Contract>Action>Review** to review the details of the selected contract before approval. At this point you can check the details of the contract to confirm data before you approve the stop. Click the Routing Slips link to return to Routing Slips.

4. Expand the open routing slip associated with the Service Request selected by using the + sign to see the routing slip information.

5. To approve, **Select the Stop** and **Select Actions> Approve by either using a** Right Click on the highlighted line or by selecting the Actions Menu.



6. The routing stop now displays Approved Status. The next Transco Responsible Party will be notified.



Action Menu Functionality

- **Approve** – The user can approve a new contract or a new amendment for a contract.
- **Comments** – a window will pop up and displays all the existing comments, and user can add a new comment.
- **Reject** – a page will pop up with two options; reject slip and revised pending contract or reject slip and reject pending contract.
- **Review** – The user can select a slip record for review.

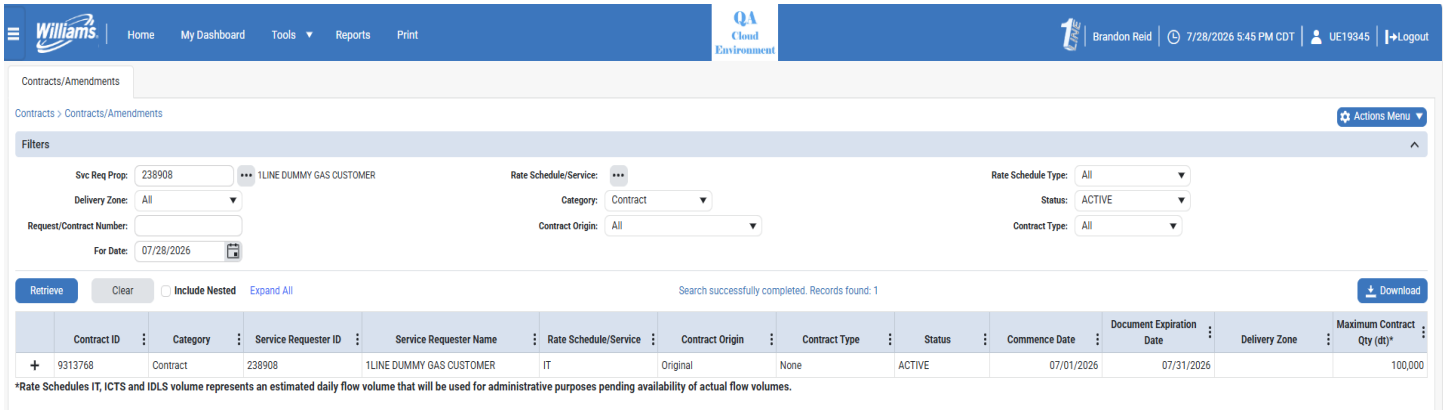
For more information on Pooling contracts, please contact your Commerical Services Representative.

Viewing Contracts/Amendments

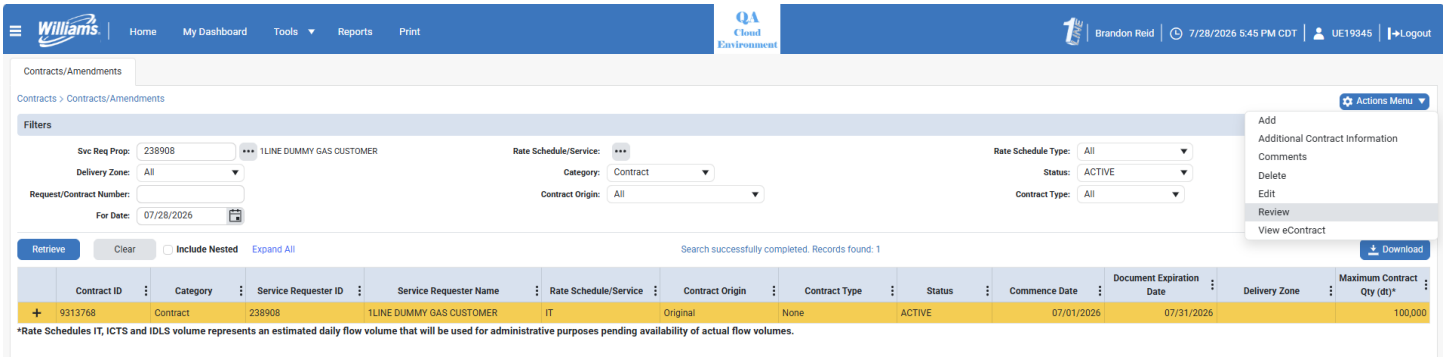
Contracts and Amendments are viewed and processed in a one-page format.

To retrieve a contract and its amendments navigate to: **Contracts>Contracts/Amendments** from the customer activities home page**.**

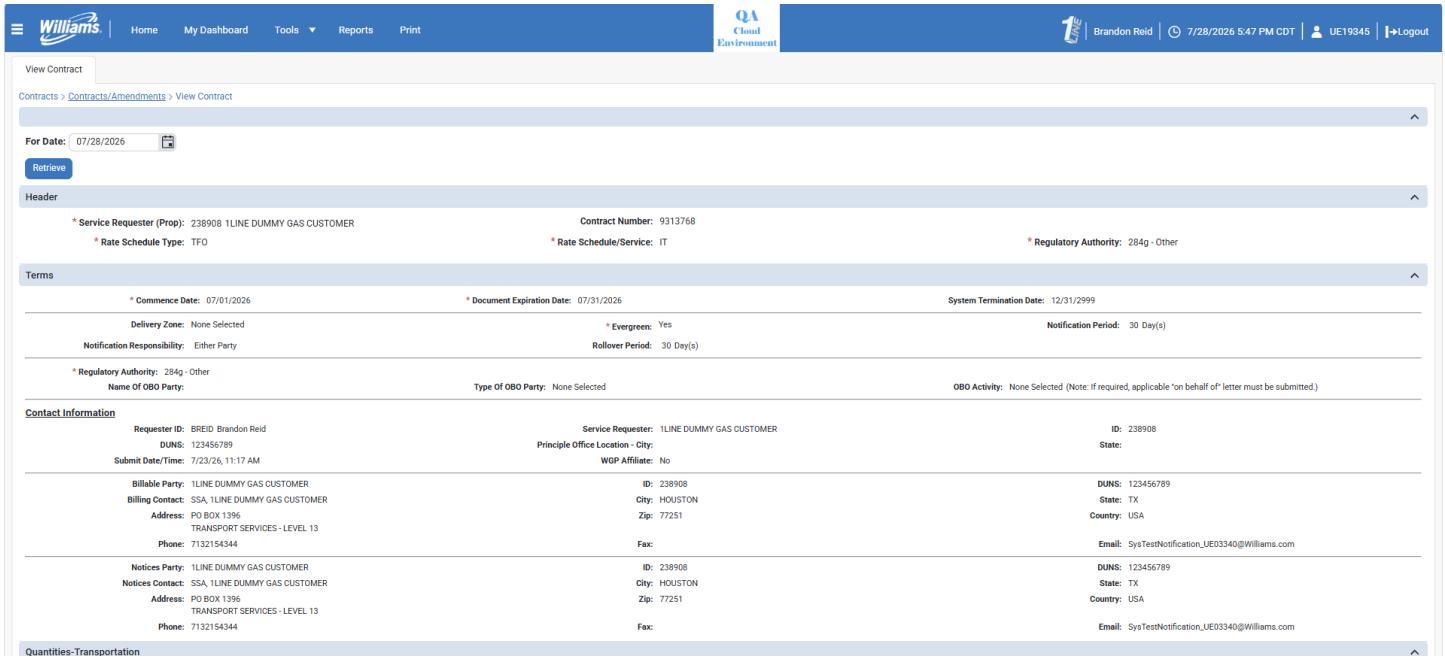
Filter data as needed> Retrieve>Select.



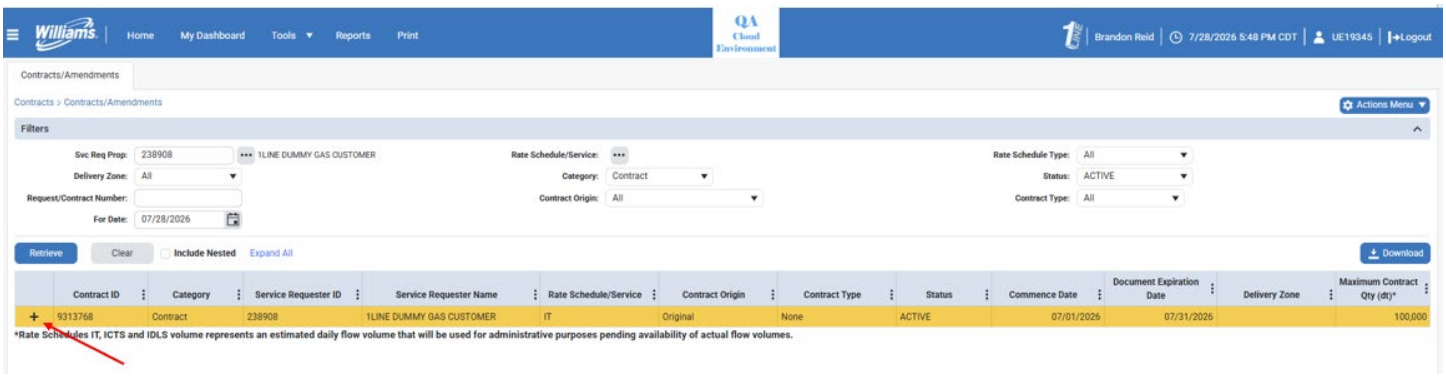
To **View** contract details: **Select** the contract row**> Review** from the Action menu**.**



You will be able to view selected contract. **To return to the Contracts/Amendments page, click the Contracts/Amendments link.**

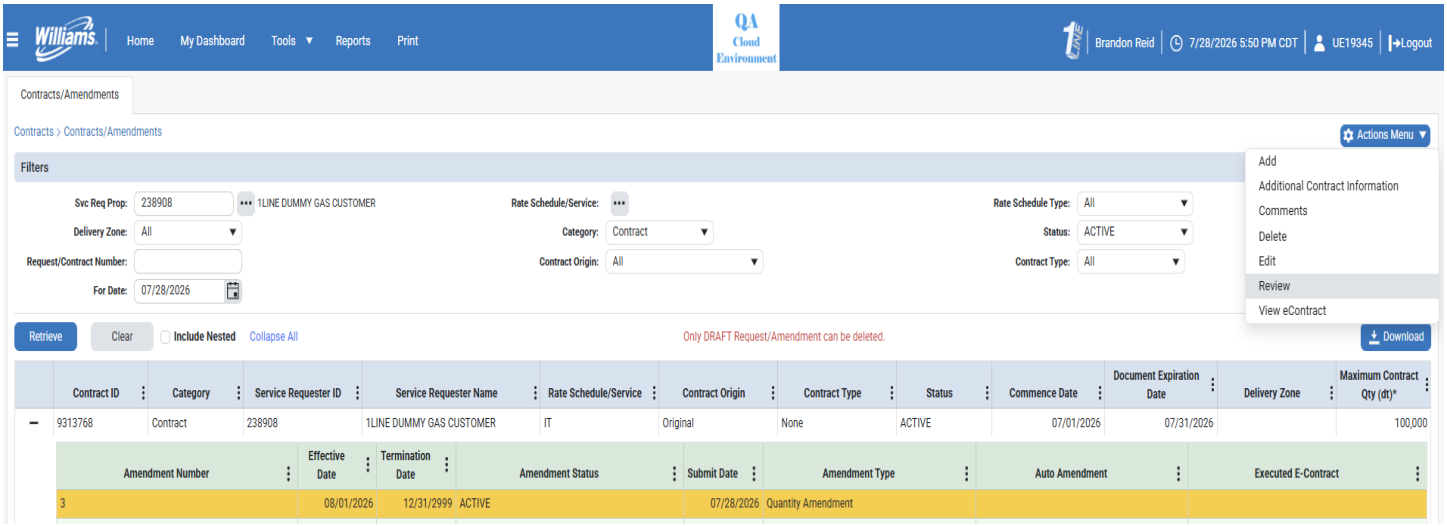


To view amendments for the selected contract, expand the contract row by using the + button.

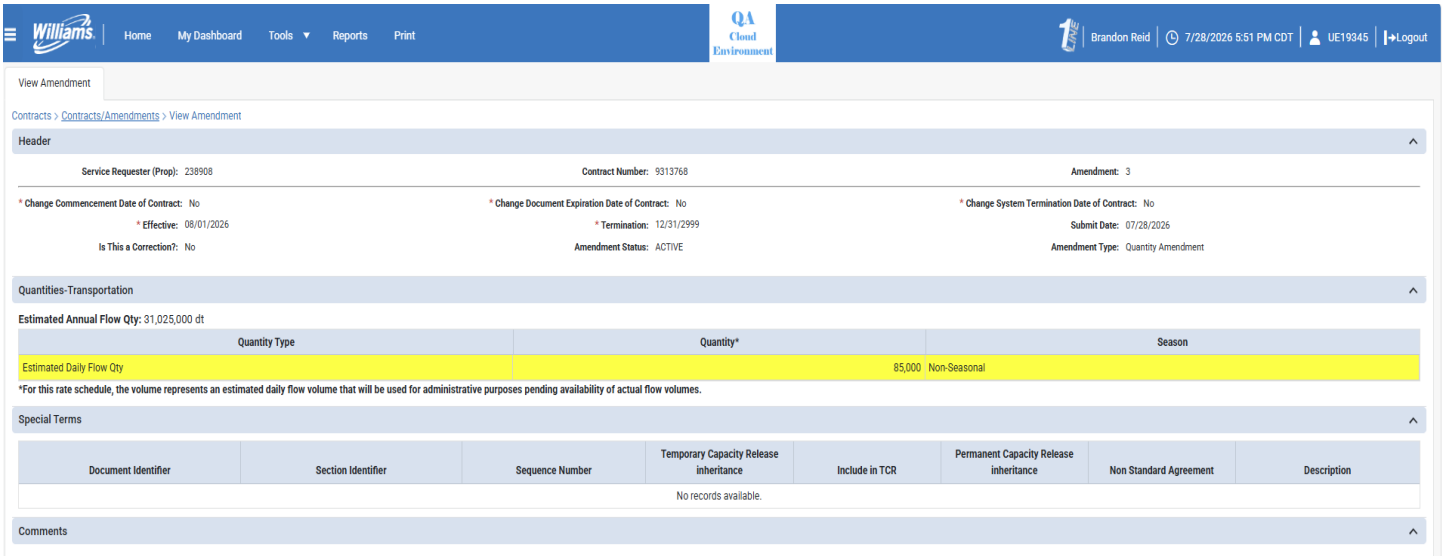


The contract amendment list shows the most recent amendment. Amendment 0 is the original contract as it was before amendments.

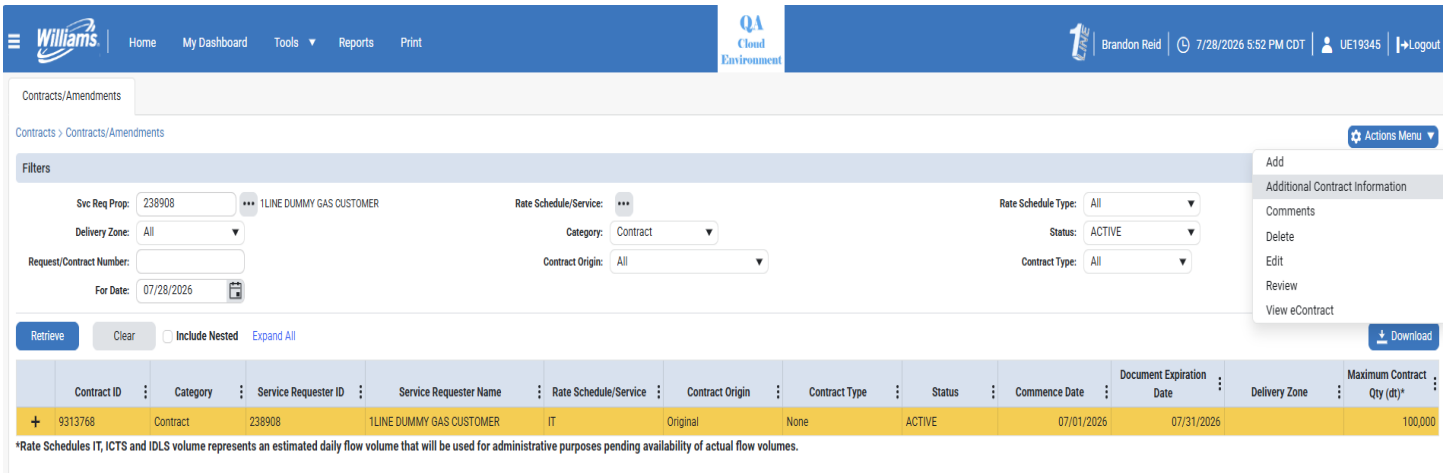
To view a contract amendment, **highlight the amendment row and select Review from the Actions Menu.**

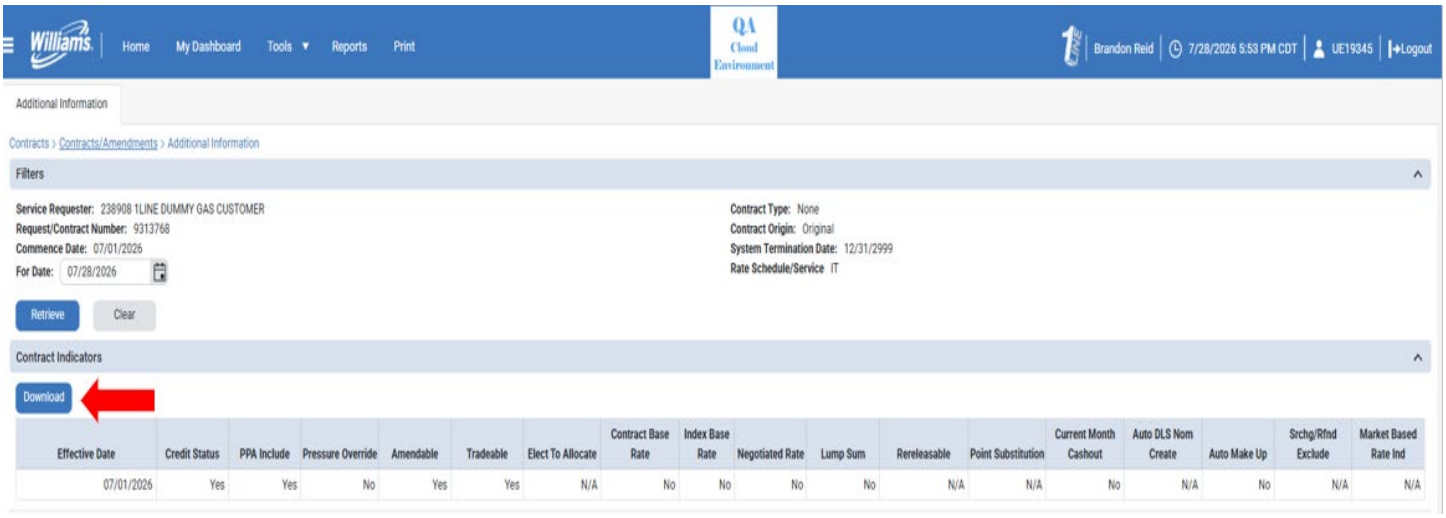


This page shows highlighted changes from the previous amendment. The yellow highlights indicate the item was either changed or added. To return to the Contracts/Amendments page, click the Contracts/Amendments link.



To view Additional Contract Information>Select>**Action>Additional Contract Information** for selected contract.





Additional Contract Information

Various **contract indicators** are associated to a contract when it is set up in the 1Line system.

Once a contract is approved, the 1Line system automatically sets the **PPA Included** contract indicator to **YES, pursuant to the Tariff**. This indicator affects how prior period adjustments on the contract are handled in 1Line with respect to trading and cash out.

Prior Period Adjustments (PPAs)

The **PPA Included** indicator is used to specify the customer's election related to managing prior period adjustments. The two options are explained here:

1. Setting the **PPA Included** indicator to **Yes** will ensure that imbalances resulting from prior period adjustments are included with the current month tradable imbalance and then cashed out at the

current month price.

2. A **PPA Included** indicator of **No** will cause imbalances resulting from prior period adjustments to be held separately (not tradable) and cashed out following the procedures listed below:
   - PPAs that reduce the imbalance will have the imbalance recalculated reducing the highest billed tier first and progressing through lower tiers until the entire difference has been allocated.
   - PPAs that increase the imbalance will be cashed out at the highest priced tier originally billed.
   - PPAs that change the imbalance direction (DF to DT or DT to DF) will have the difference cashed out at the average of the weekly Reference Spot Prices applicable to that month.

To change the Indicator an e-mail requesting this change must be sent to a Commercial Services Representative prior to the first of the month for which it is to be changed. The Indicator setting will apply to any PPAs that are made during that month, regardless of the original production month. The default is **Yes** (include PPAs in the current month imbalance).

The table below summarizes the implications of the **PPA Included** contract indicator setting (Y or N).

PPA Included Contract Indicator

Area Affected by the Indicator	PPA Indicator = Y	PPA Indicator = N
Imbalances	Imbalance Trading of PPA quantities allowed.	Imbalance Trading of PPA quantities NOT allowed.
Cash out	Cash out PPA quantities at current month price.	Cash out PPA quantities at prices that are dependent on whether the imbalance is reduced or increased (see General Terms and Conditions, Section 25.2 of Transco's FERC Gas Tariff).

Please contact your Commercial Services Representative with any Contracts questions.